Cost of Indigenous Coal

†2210. SHRI KAPIL SIBAL:
DR. D. MASTHAN:

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether it is a fact that indigenous coal would become costly in comparison to the imported coal in the southern States of the country due to the decision taken by the Ministry of Railways for hiking the freight on coal;

(b) if not, what is the assessment made by Government in this regard; and

(c) whether Govenrment have provided certain suggestions to the concerned departments for checking the import of coal, and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS (DR. (SHRIMATI) RITA VERMA): (a) to (c) The indigenous coal per therm is costlier than imported coal at certain coastal areas in Southern India due to certain reasons including high railway freight over long distances. Any decision to hike railway freight will further render indigenous coal costlier at such locations in the country. The Ministry had written letters to Ministry of Railways and the State Governments that any further increase in railway freight and the royalty rates would make Indian coal further uncompetitive.

Coal Production

†2211. SHRI RAJ MOHINDER SINGH:
SHRI KAPIL SIBAL:

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether it is a fact that India is one of the coal producing countries of the world;

(b) if so, the names of such countries in the world where coal is produced and exported;

(c) whether Government have assessed the coal production cost rate in such countries; and

(d) if so, the average cost of production in those countries vis-a-vis the average cost of production in India?

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS (DR. (SHRIMATI) RITA VERMA): (a) Yes, Sir.

(b) USA, China, Australia, South Africa, Indonesia, Canada, Poland, Columbia, Kazakistan, Russia, Venezuela, Vietnam and New Zealand are the major coal producing and exporting countries.

†Original notice of the question was received in Hindi.

(c) and (d) cost of coal production would very from country to country due to various factors including geological nature of deposits, wage structure and technological advancement. The average cost of coal production in coal India Limited was Rs. 502.44 per tonne in 1998-99.

Import of Coal

†2212. DR. D. MASTHAN:
SHRI RAJ MOHINDER SINGH:

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether it is a fact that there has been a constant increase in import of good quality of coal during the past few years;

(b) if so, name of the quality and category together with quantity of the coal imported in the years 1996-97, 1997-98 and 1998-99; and

(c) the reasons for constant increase in the quantity of import of such coal?

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS (DR. (SHRIMATI) RITA VERMA): (a) and (b) Since import of coal is placed under Open General Licence (OGL), imports are being resorted to by the actual consumers depending on their requirements.

Import of coal is not monitored by the Department of Coal. However details of coking and non-coking coal imported into the country during the years 1996-97 to 1998-99 are given below:

(Data Provisional)
(in million tonnes)

Year	Coking	Nok-Coking	Total
1996-97	9.78	4.53	14.31
1997-98	10.65	6.56	17.21
1998-99	9.64	6.00	15.64

(c) There is a gap between demand and indigenous production of coking and superior grade coal used by steel plants for metallurgical purposes. Steel plants are importing coal (i) to bridge the gap between the requirement and indigenous availability of coking coal of required quality and (ii) to improve the quality of overall blend for technical reasons for improving performance of blast furnace.

†Original notice of the question was received in Hindi.